

YOUNG CONAWAY STARGATT & TAYLOR, LLP

JEFFREY T. CASTELLANO
 DIRECT DIAL: 302-571-3587
 DIRECT FAX: 302-576-3551
 jcastellano@ycst.com

THE BRANDYWINE BUILDING
 1000 WEST STREET, 17TH FLOOR
 WILMINGTON, DELAWARE 19801
 P.O. Box 391
 WILMINGTON, DELAWARE 19899-0391

(302) 571-6600
 (302) 571-1253 FAX
 (800) 253-2234 (DE ONLY)
www.youngconaway.com

June 12, 2007

BY E-FILING

The Honorable Mary Pat Thyng
 United States District Court
 844 North King Street
 Wilmington, DE 19801

Re: Roquette Freres v. SPI Pharma, Inc. and Drytec Ltd.,
C.A. No. 06-540-***

Dear Judge Thyng:

Defendants SPI Pharma, Inc. and Drytec Ltd. hereby respond to Plaintiff Roquette Freres' ("Roquette") June 11, 2007 letter requesting additional jurisdictional discovery from Defendants in connection with Roquette's motion for leave to amend its pleadings to join additional parties. As explained below, and which we can address more fully as necessary during tomorrow's teleconference with Your Honor, Roquette's request for additional jurisdictional discovery is both improper and unnecessary. We respectfully request that Your Honor deny Roquette's request.

I. Background

Roquette filed this patent infringement action against SPI Pharma on August 31, 2006, and then filed a First Amended Complaint adding Drytec Ltd. as a co-defendant on October 20, 2006. On December 6, 2006, Drytec Ltd. submitted a motion to dismiss Plaintiff's First Amended Complaint as to Drytec Ltd. for lack of personal jurisdiction. In connection with that motion, the parties agreed to exchange jurisdictional discovery and Roquette deposed Mr. Paul Kennet, the managing director of Drytec Ltd. During Mr. Kennet's deposition on January 16, 2007, Roquette learned that Drytec Ltd.'s name had been recently changed to Anhydro UK Ltd. ("Anhydro UK") on January 1, 2007. *See Exhibit A, p. 8:13-21.* Roquette also learned that Anhydro UK's corporate parent was Anhydro Holdings A/S ("Anhydro A/S") and Drytec Contract Processing Ltd. ("Drytec CP") – not Drytec Ltd. - was the toll manufacturer of the allegedly infringing product in the United Kingdom. *See Id., p. 19:6-17; 13:14-20; 21:22 – 22:3; 26:18 – 27:6; 29:4-17.* Roquette's counsel questioned Mr. Kennet extensively about these matters during the deposition. Roquette's counsel never once indicated that it would be necessary to conduct a follow-up deposition. The parties fully briefed Drytec Ltd.'s motion to dismiss and that motion presently awaits Your Honor's decision.

More than four months later, on May 21, 2007, the deadline under the Court's Scheduling Order, Roquette filed a motion for leave to join Drytec CP, Anhydro UK and Anhydro A/S

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(collectively, “the Additional Parties”). On June 5, 2007, Defendants filed their answering brief, contending that Roquette’s motion for leave to amend is futile because the Court lacks personal jurisdiction over these additional parties and liability for patent infringement cannot be shown because none of them sells or imports the allegedly infringing product within the United States. On June 7, Roquette’s counsel telephoned to ask whether Defendants would consent to additional jurisdictional discovery – *viz.*, another deposition of Mr. Kennet in the United Kingdom, but this time in connection with assertions made by Defendants in opposition to Roquette’s motion for leave to amend its pleadings to join the Additional Parties. Defendants did not consent to Roquette’s request.

II. Argument

For brevity’s sake, we list below the primary reasons why Roquette’s request for additional jurisdictional discovery from Defendants or the Additional Parties should be denied:

- The Defendants already provided jurisdictional discovery in connection with Drytec Ltd.’s motion to dismiss the complaint as to Drytec Ltd. for lack of personal jurisdiction. Roquette had the opportunity nearly five months ago during Mr. Kennet’s deposition to explore fully the roles and relationships of the Additional Parties. If Roquette failed to take advantage of that opportunity, that is no one’s fault but Roquette’s. Defendants or the Additional Parties should not be subject to another round of expensive and burdensome depositions in Europe because Roquette did not question Mr. Kennet to its own satisfaction the first time around.
- Roquette mischaracterizes Defendants’ answering brief as containing “contradictory assertions and inconsistent and incomplete information.” *See* Roquette’s letter, p. 1. Roquette concedes that Defendants produced the Commercial Letter Agreement between SPI Pharma and Drytec CP showing that Drytec CP was toll manufacturer of the accused product. *Id.*, p. 2. This document is completely consistent with Mr. Kennet’s deposition testimony. *See* Exhibit A, 13:14-20; 21:22 – 22:3; 26:18 – 27:6; 29:4-17. Pursuant to Roquette’s first set of document requests, Defendants also produced United States Customs documents that confirm Mr. Kennet’s testimony stating that the Drytec entities did not ever sell or import the accused product within the United States. *See Id.*, p. 23:4-20. There is nothing at all contradictory or inconsistent about Defendants’ assertions in its answering brief that requires additional discovery.
- Roquette asserts that additional jurisdictional discovery is “relevant and important” in order for Roquette to reply to Defendants’ brief opposing Roquette’s motion for leave to amend, but offers no justification for this assertion. Roquette has already been provided with the pertinent jurisdictional information related to Drytec Ltd. (now Anhydro UK) and Drytec CP.¹ Roquette fails to explain how additional testimony from Mr. Kennet on this issue would serve any purpose. At best, such testimony would be merely duplicative or cumulative

¹ For its part, Anhydro A/S is merely a holding company and has had no involvement with the manufacture or import of the accused product

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and Roquette is not entitled to such discovery. *See Bayer AG v. Betachem, Inc.*, 173 F.3d 188, 191 (3d Cir. 1999) (“The Federal Rules of Civil Procedure expressly allow a district court to use its discretion and deny discovery requests if the material sought is ‘unreasonably cumulative.’ Fed. R. Civ. P. 26(b)(2).”).

- Roquette’s request for additional jurisdictional discovery is premature. If the Court grants leave for Roquette to join the Additional Parties, a motion to dismiss pursuant to Rule 12(b)(2) may then be filed on behalf of those parties. At that time, the Additional Parties would consider any request for additional jurisdictional discovery by Roquette (though we think none is necessary). On the present motion, however, there is no need for such additional discovery because a different standard applies. Roquette should not be allowed to delay submission of its reply brief on its motion to amend based on the pretext that it requires additional jurisdictional discovery, when such discovery is not warranted here.

- Finally, Roquette’s motion for leave to amend to join the Additional Parties is based on a false premise that Drytec Ltd. (if not dismissed for lack of personal jurisdiction) will try to avoid discovery “through artificial claims that Drytec Ltd. is not responsible for or cannot provide discovery regarding the infringing activities of its closely affiliated companies [*viz.*, Drytec CP].” Drytec Ltd. has never given any indication that it would behave in that manner or make such claims. Roquette’s entire premise for its motion for leave to amend is misplaced and so are its reasons for additional discovery.

Based on the foregoing, we respectfully request that Your Honor deny Roquette’s request for additional jurisdictional discovery.

Respectfully submitted,



Jeffrey T. Castellano (I.D. No. 4837)

JTC:mmeeh
Enclosure

cc: Clerk, U.S. District Court (By E-filing and Hand Delivery)
Mary B. Graham, Esquire (By E-filing and Hand Delivery)
Julia Heaney, Esquire (By E-filing and Hand Delivery)
Douglas V. Riger, Esquire (By E-mail)

EXHIBIT A

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1 IN THE UNITED STATES DISTRICT COURT
2 FOR THE DISTRICT OF DELAWARE
3 Civ No 06-540

4

5 ROQUETTE FRERES,

6 Plaintiff,
7 v SPI PHARMA, INC., and DRYTEC LTD.,

8 Defendants.
9

10 ORAL DEPOSITION OF PAUL KENNET
11 Taken at Morgan Lewis & Bockius,
12 2 Gresham Street, London EC2V 7PE, England,
13 on Tuesday 16 January 2007 at 12.00 pm

14 Reported by Mrs. Claire Hill.

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<p>1 Q What was the nature of the litigation? 2 A It was confidentiality of technical data. 3 Q And were you personally a defendant in 4 the action? 5 MS. HOLTHAM: Objection, the scope of this 6 deposition is limited to the facts and matters set out 7 in Mr. Kennet's statement. 8 MR. RIGLER: I'm aware that this is a 9 jurisdictional deposition; nonetheless, I'm entitled to 10 inquire into the background of the witness, with respect 11 to any prior litigation in which he has been a party. 12 Q You may answer. 13 A I wasn't personally a defendant, no. 14 Q A company with which you were associated 15 was accused of violating a confidentiality agreement? 16 A The company that I was working for was 17 named as a defendant, not me personally, I was defending 18 the company, representing the company. 19 Q What company was that, please? 20 A It was Drytec. 21 Q Who was the other party to the 22 litigation?</p>	Page 6	<p>1 A Certainly, I have worked for a number of 2 -- only in the U.K., for a number of U.K. companies, 3 always in engineering. In the last company I worked 4 for, I was initially senior process engineer, and then 5 rose to sales director, transferred in 2001 to Drytec as 6 sales director, and became managing director in 2004. 7 Q Do you have any other employment? 8 MS. HOLTHAM: Objection, question vague as to 9 form. 10 A Any other employment, you say? 11 Q Yes. 12 A Other than with Drytec? No, I don't. 13 Q I notice on your card that your card says 14 Anhydro. 15 A Anhydro, yes. Drytec Limited changed its 16 name as of 1 January to Anhydro U.K. Limited, so the 17 card's not even right, it was done by our parent 18 company, Anhydro, in Denmark. They jumped the gun 19 slightly. But formally, Drytec Limited is -- as of 1 20 January this year, is Anhydro U.K. Limited. No other 21 changes have been effected. 22 Q Did you bring any documents with you</p>	Page 8
<p>1 A The other party was -- the plaintiff, you 2 mean? 3 Q Yes. 4 A The plaintiff was Borozene (?) Inc. 5 Q And can you tell me the year in court? 6 A The year was -- that the deposition was 7 made, or that the file was suited, the litigation was 8 filed? The litigation was filed in 2006. 9 Q And the court was? 10 A It's still proceeding, the litigation. 11 Q Can you tell me a little bit about your 12 background, what is your educational background? 13 A I am a chartered engineer, a graduate 14 chemical engineer, and a member of the Institute of 15 Chemical Engineers in the U.K. 16 Q May I ask which universities? 17 A Which universities? 18 Q Yes, please. 19 A University of Cape Town, which is not in 20 America. 21 Q And not in any great detail, but can you 22 briefly tell me about your employment history?</p>	Page 7	<p>1 today? 2 A I have not brought any documents with me 3 today. 4 Q Were you asked to search for any 5 additional documents? 6 A I was requested to bring some documents, 7 if I could find any, yes. 8 Q Were you able to locate any documents? 9 A No. 10 Q I won't clutter up the record with 11 needless paper, since this is before the court, but let 12 me show you the declaration of Paul C. Kennet and ask if 13 you recognize this document. (Handed). 14 A Yes. 15 Q And you read it and subscribed to it? 16 A I have and do. 17 Q And I take it you had the assistance of 18 counsel when the document was prepared? 19 A Yes, I did. 20 Q Were you asked to search for any 21 documents in connection with the declaration you signed 22 in this action?</p>	Page 9

3 (Pages 6 to 9)

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<p style="text-align: right;">Page 10</p> <p>1 MS. HOLTHAM: Objection, the instructions and 2 interaction between Mr. Kennet and counsel are 3 privileged.</p> <p>4 MR. RIGLER: I agree with that, I just asked 5 if he was asked to search for any documents.</p> <p>6 A I was asked to search for some documents, 7 yes.</p> <p>8 Q I would like to have the reporter mark as 9 Drytec exhibit 1 a cover letter of December 27, 2006, 10 from Mr. Langer at Morgan Lewis, and it is followed by 11 documents with the series of numbers which we refer to 12 in America as Bates numbers, and this goes with a series 13 commencing 1 through 35.</p> <p>14 (Exhibit Drytec 1 marked for identification)</p> <p>15 Q Were those the documents which you 16 located in response to the search request?</p> <p>17 A No, I have not located those documents.</p> <p>18 Q You have not seen these documents 19 previously?</p> <p>20 A I have seen the documents -- sorry, let 21 me correct that. The last of the documents I located 22 and submitted, which is this, from D 11 onwards. The</p>	<p style="text-align: right;">Page 12</p> <p>1 and engineering of that spray drying system, as a 2 competitive bid, as a competitive quotation.</p> <p>3 Q Was the quotation accepted?</p> <p>4 A It was.</p> <p>5 Q Was the installation made?</p> <p>6 A I believe it was, yes.</p> <p>7 Q You're not sure?</p> <p>8 A I am not sure, I have never been there, 9 and it was done exclusively through our American company 10 at the time, so I understand it has been installed, yes.</p> <p>11 Q Where was the equipment manufactured?</p> <p>12 A The equipment was manufactured at various 13 locations in Europe and in America, and supplied through 14 our Drytec North America.</p> <p>15 Q Was any of the equipment manufactured in 16 the U.K.?</p> <p>17 A I believe it was.</p> <p>18 Q Which components and where, please?</p> <p>19 A I don't know where, generally. Which 20 components, I believe it was only the atomizer assembly.</p> <p>21 Q Which parties executed the contract?</p> <p>22 A Drytec North America.</p>
<p style="text-align: right;">Page 11</p> <p>1 remainder were obtained elsewhere, I had no involvement 2 in those.</p> <p>3 Q Tell me what the document beginning at 4 page D 11 and continuing through D 35 is, please.</p> <p>5 A It is a quotation submitted through our 6 North American office for equipment supply, key parts 7 and engineering equipment supply for spray dryer system.</p> <p>8 Q And who was the intended customer?</p> <p>9 A SPI were, Pharma.</p> <p>10 Q SPI Pharma Inc.?</p> <p>11 A I believe so, yes. (Pause). Yes, in 12 Grand Haven.</p> <p>13 Q Grand Haven is merely a manufacturing 14 location of SPI Pharma Inc., correct?</p> <p>15 A It is a manufacturing location.</p> <p>16 Q But it is not the exclusive location in 17 the United States of SPI Pharma?</p> <p>18 A I believe not.</p> <p>19 Q What was the purpose of the estimate?</p> <p>20 A The purpose of the estimate was to 21 provide SPI Pharma with information, sufficient 22 information in order for them to purchase the key parts</p>	<p style="text-align: right;">Page 13</p> <p>1 Q So this is not a contract between Drytec 2 Limited and SPI Pharma?</p> <p>3 A No, it's not.</p> <p>4 Q What is the business of Drytec Limited?</p> <p>5 A Drytec Limited designs, supplies, 6 installs and commissions drying equipment.</p> <p>7 Q Did I understand correctly that your only 8 employment is as the managing director of Drytec 9 Limited?</p> <p>10 A It's not only Drytec Limited, no.</p> <p>11 Q What other companies?</p> <p>12 A Drytec Contract Processing Limited and 13 Drytec Holdings Limited.</p> <p>14 Q And what are the activities of each of 15 those companies?</p> <p>16 A Drytec Holdings Limited is purely an 17 administrative holding company for Drytec Limited and 18 Drytec Contract Processing. Drytec Contract Processing 19 Limited spray dries -- toll spray dries various 20 materials for clients.</p> <p>21 Q Do those materials include Mannitol?</p> <p>22 MS. HOLTHAM: Objection, again, the scope of</p>

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<p>1 Anhydro U.K. Limited, as part of Anhydro's efforts 2 to unify the world market or world representation.</p> <p>3 Q So there has been no actual sale of 4 any of these companies or their assets?</p> <p>5 MS. HOLTHAM: Objection, this is way 6 beyond the scope of the jurisdiction, I'm 7 instructing you not to answer.</p> <p>8 MR. RIGLER: I am going to ask you to 9 reconsider, because this kind of thing I'll take 10 to the court. You're going to be able to make 11 your instructions today, and the witness, I'm 12 sure, will follow your instructions, but 13 ultimately the issue is going to be decided before 14 the judge in the United States, and I'm trying to 15 confine my questions to what I consider to be 16 relevant, and I think the court is going to agree 17 with me. Now do you wish to maintain your 18 instruction?</p> <p>19 MS. HOLTHAM: In relation to specific 20 questions that are focused on the corporate 21 identities, you may answer.</p> <p>22 A Could you repeat the question? (Read</p>	<p>Page 18</p> <p>1 whose name I can't remember, but the CEO I do 2 I only know his nickname.</p> <p>3 Q Which is?</p> <p>4 A His nickname is Ziggy somebody or 5 other, bizarre as it may seem, but the CEO is 6 Allan Jorgensen, who is chairman of the Drytec 7 board as well.</p> <p>8 Q What is the role of Mr. Dedert?</p> <p>9 A I don't know what the role of 10 Mr. Dedert is, he's a shareholder of Anhydro 11 Holdings. More than that, I don't know.</p> <p>12 Q Does Drytec Limited have any drying 13 facilities?</p> <p>14 A No.</p> <p>15 Q Does it hold itself out as willing 16 to do drying projects in support of either sales 17 or to accommodate its clients on a short-term 18 basis?</p> <p>19 A It does have the ability to 20 undertake small scale drying trials, and in that 21 respect, we have a number of test facilities only, 22 so I correct my previous statement.</p>
<p>1 back)</p> <p>2 A The sale of any of the companies 3 that we have been discussing or naming, no, that 4 is correct, there been no sales of those 5 companies.</p> <p>6 Q And is it correct that the ultimate 7 parent corporation is named Dedert Corporation, 8 and that is an entity formed under the laws of the 9 State of Illinois in the United States?</p> <p>10 A I believe the ultimate owning 11 company is Anhydro Holding A.S. in Denmark, but 12 I'm not privy to the legal structure, that's as 13 I understand it, Anhydro Holdings A.S. owns 14 100 percent of all Anhydro companies, which 15 includes Dedert, now Anhydro Inc., it includes 16 Drytec Limited, which is now Anhydro U.K. Limited 17 as well as other companies.</p> <p>18 Q Do you know who the ultimate 19 managing director of the group of companies is, at 20 highest holding company level?</p> <p>21 A Yes, I know both the CEO and the 22 chairman of the board; the chairman of the board,</p>	<p>Page 19</p> <p>1 Q And that would include the ability 2 to dry Mannitol products, would it not?</p> <p>3 A Depending on your definition of it, 4 Drytec Limited has the ability to design spray 5 dryers for the production of Mannitol, yes, or to 6 test the drying of Mannitol.</p> <p>7 Q So physically, it dries Mannitol?</p> <p>8 A Drytec Limited does not dry 9 Mannitol, no.</p> <p>10 Q And that ability would also apply 11 to Mannogem EZ, would it not?</p> <p>12 A It would.</p> <p>13 Q What is the relationship between 14 Drytec Limited and SPI Pharma Incorporated?</p> <p>15 A There's no direct association or 16 relationship.</p> <p>17 Q What is the indirect association?</p> <p>18 A We have supplied through Drytec 19 North America L.L.C. key parts for spray drying 20 for -- spray drying system for Mannitol, or 21 Mannogem, whatever it's called.</p> <p>22 Q Drytec Contract Processing dries</p>

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<p style="text-align: right;">Page 22</p> <p>1 both Mannitol and Mannogem EZ, correct?</p> <p>2 A It doesn't currently dry either of</p> <p>3 those products, but has in the past.</p> <p>4 Q In the recent past?</p> <p>5 A It depends on your definition of</p> <p>6 recent.</p> <p>7 Q Give me a timeframe, please.</p> <p>8 A In the past, it has, in the recent</p> <p>9 past it has.</p> <p>10 Q Do you know if there are any</p> <p>11 customers in the United States for either of those</p> <p>12 products?</p> <p>13 A Do I know if there are customers in</p> <p>14 the United States?</p> <p>15 Q Yes, you are the managing director</p> <p>16 of the company, right?</p> <p>17 A I am indeed the managing director</p> <p>18 of the company, we have established that.</p> <p>19 I believe there are customers in the United States</p> <p>20 for those products.</p> <p>21 Q And the products are dried here in</p> <p>22 the U.K. and then imported by the customer or</p>	<p style="text-align: right;">Page 24</p> <p>1 Imports, they have been marked confidential</p> <p>2 because although the information is public, it's</p> <p>3 an import record, the company that accumulates the</p> <p>4 information has proprietary interest in the</p> <p>5 report. I'm certainly free to give it to you, but</p> <p>6 I do remind you that they --</p> <p>7 A It's under confidentiality.</p> <p>8 MS. HOLTHAM: I'd like to make</p> <p>9 an objection certainly for the record at least,</p> <p>10 I'm not going to instruct Mr. Kennet not to look</p> <p>11 at these documents, but in the confidentiality</p> <p>12 agreement pursuant to which disclosure of these</p> <p>13 documents was made, you specifically agreed that</p> <p>14 the documents were not to be disclosed if marked</p> <p>15 confidential, as they had been by you, to Drytec's</p> <p>16 personnel.</p> <p>17 That agreement was on letter from Morgan</p> <p>18 Lewis dated December 21st 2006, and specifically</p> <p>19 provides:</p> <p>20 "Outside counsel for Roquette and Drytec</p> <p>21 agree to hold the confidential information in the</p> <p>22 strictest confidence and not disclose it or</p>
<p style="text-align: right;">Page 23</p> <p>1 exported by Drytec to the United States, correct?</p> <p>2 MS. HOLTHAM: Objection, question vague</p> <p>3 and compound.</p> <p>4 Q Do you need it broken down? I'm</p> <p>5 happy to do it in parts, but I thought it was</p> <p>6 fairly straightforward.</p> <p>7 A Drytec Contract Processing has in</p> <p>8 the past manufactured Mannitol based products</p> <p>9 under strict instructions of clients, clients</p> <p>10 prescribing every aspect of the process.</p> <p>11 Q And those products have been</p> <p>12 shipped to the United States?</p> <p>13 A I believe Drytec haven't shipped</p> <p>14 any products, but I understand products have been</p> <p>15 ultimately despatched by someone to the</p> <p>16 United States.</p> <p>17 Q By whom?</p> <p>18 A Normally by our clients, Drytec</p> <p>19 doesn't normally get involved in shipping of</p> <p>20 products.</p> <p>21 Q Let's mark as Drytec exhibit 2 four</p> <p>22 pages which are from a compilation by Piers</p>	<p style="text-align: right;">Page 25</p> <p>1 otherwise permit it to become available to any</p> <p>2 person, including but not limited to Roquette and</p> <p>3 Drytec personnel."</p> <p>4 MR. RIGLER: Yes, and now I was the</p> <p>5 producing party, or Roquette, the plaintiff, was</p> <p>6 the producing party, and it is willing to waive</p> <p>7 that confidentiality. The only reason it was</p> <p>8 marked confidential is because of the proprietary</p> <p>9 interest in the accumulation. This is not even</p> <p>10 a full accumulation, and I believe that this is</p> <p>11 within the legitimate scope of the information,</p> <p>12 and since my client is the one who produced,</p> <p>13 I believe that I can waive that confidentiality.</p> <p>14 (Exhibit Drytec 2 marked for identification)</p> <p>15 MS. HOLTHAM: Would you give Mr. Kenne</p> <p>16 a moment to look through the document?</p> <p>17 MR. RIGLER: Sure. (Pause).</p> <p>18 Q Have you seen Drytec exhibit 2</p> <p>19 previously?</p> <p>20 A No, I have not.</p> <p>21 Q I see it has no Bates numbers. May</p> <p>22 I have it, please?</p>

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<p style="text-align: right;">Page 26</p> <p>1 A Sure. (Handed).</p> <p>2 Q I'm going to mark page 1, page 2,</p> <p>3 page 3, page 4, page 5. Maybe I'll ask your</p> <p>4 counsel to initial that as marked, so when that</p> <p>5 becomes part of the record, we'll know that's the</p> <p>6 correct document and correct page.</p> <p>7 MS. HOLTHAM: Thank you.</p> <p>8 Q Could you turn to page 2 of Drytec</p> <p>9 exhibit 2?</p> <p>10 A Yes.</p> <p>11 Q Does this refresh your recollection</p> <p>12 as to whether Drytec has ever imported any</p> <p>13 Mannitol powder into the United States?</p> <p>14 A It seems from this documentation</p> <p>15 that Drytec Contract Processing has imported –</p> <p>16 exported material to the United States, Mannitol</p> <p>17 material.</p> <p>18 Q And why do you say Drytec Contract</p> <p>19 Processing?</p> <p>20 A Because Drytec Contract Processing</p> <p>21 is the only company with any Mannitol association,</p> <p>22 with any client in the United States that produces</p>	<p style="text-align: right;">Page 28</p> <p>1 previously?</p> <p>2 A I have not, no.</p> <p>3 Q This indicates that 35,540 pounds</p> <p>4 of Mannitol in 300 drums were shipped – were</p> <p>5 exported by Drytec Limited to SPI Pharma, correct?</p> <p>6 A So this document seems to indicate,</p> <p>7 yes.</p> <p>8 Q And then if we turn to page 5, we</p> <p>9 see that 298 kegs weighing 35,301 pounds of</p> <p>10 Mannitol powder were exported by Drytec Contract</p> <p>11 Processing, again to SPI Pharma, correct?</p> <p>12 A Yes, so it seems.</p> <p>13 Q Do you have any reason to believe</p> <p>14 that Piers Imports, the compilation service, would</p> <p>15 have misread the shipping documents?</p> <p>16 A I don't have any reason -- I have</p> <p>17 no knowledge whether the system could result in</p> <p>18 errors. However, it significantly surprises me</p> <p>19 that Drytec Limited is listed there, because</p> <p>20 Drytec Limited did not have any contractual</p> <p>21 relationship with SPI Pharma, and they do not</p> <p>22 normally from the U.K. export anything since they</p>
<p style="text-align: right;">Page 27</p> <p>1 Mannitol.</p> <p>2 Q But Drytec Limited does have the</p> <p>3 test facility where it is able to dry Mannitol</p> <p>4 powder?</p> <p>5 A Yes, to my knowledge, Mannitol</p> <p>6 powder has never been produced on the test unit.</p> <p>7 Q But we do agree, I think, the</p> <p>8 document speaks for itself, that the exporter is</p> <p>9 described as Drytec?</p> <p>10 A It is described in this document as</p> <p>11 Drytec.</p> <p>12 Q Without distinction as between</p> <p>13 Drytec Contract Processing and Drytec Limited?</p> <p>14 A It would be Drytec Contract</p> <p>15 Processing Limited as the legal name of the</p> <p>16 company who has undertaken that exporting,</p> <p>17 although this document doesn't identify that,</p> <p>18 you're correct.</p> <p>19 Q Let's turn to what I think is going</p> <p>20 to be page 4.</p> <p>21 A Yes.</p> <p>22 Q You've not seen this document</p>	<p style="text-align: right;">Page 29</p> <p>1 don't produce anything. But the documentation</p> <p>2 seems to contradict this, so it comes as</p> <p>3 a surprise to me.</p> <p>4 Q SPI Pharma certainly believes that</p> <p>5 it is purchasing Mannogem EZ spray dry Mannitol</p> <p>6 from Drytec Limited, does it not?</p> <p>7 MS. HOLTHAM: Objection, the question</p> <p>8 invites speculation on behalf of the witness.</p> <p>9 Q You may answer.</p> <p>10 A I do not believe that Drytec</p> <p>11 Limited, whose activities is purely the design and</p> <p>12 supply of spray drying equipment, had any Mannitol</p> <p>13 production contract or obligation, whatever you</p> <p>14 want to call it, with SPI Pharma. It is Drytec</p> <p>15 Contract Processing Limited which is the toll</p> <p>16 manufacturing facility that Drytec has, or company</p> <p>17 that Drytec has.</p> <p>18 Q And those are sister companies both</p> <p>19 owned by Drytec Holdings, and you're the chief</p> <p>20 executive officer of all three, or the managing</p> <p>21 director of all three?</p> <p>22 A I am managing director of all</p>

8 (Pages 26 to 29)